

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

370 Commerce and Housing (Continued)Restrict Deductions for Business
Entertainment and Meals (REV-23) (Continued)

Addition to CBO Baseline (Continued)

Limit Deductions to 50 Percent for Busi- ness Entertainment and 75 Percent for Business Meals	1,700	3,200	3,800	4,400	4,900	18,100
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Limit Deductions to 80 percent for Business Entertain- ment and Meals	1,400	2,600	3,100	3,500	3,800	14,400
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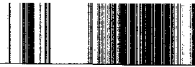
Limit Interest Deductions (REV-25)

Addition to CBO Baseline

Limit to Mortgage Interest on a Principal Residence Plus \$5,000 in Excess of Net Investment Income	300	2,100	2,300	2,400	2,600	9,700
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Limit to \$20,000 (Joint Returns) or \$15,000 (Other) in Excess of Net Investment Income	300	2,300	2,400	2,600	2,900	10,500
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**330 REDUCING THE DEFICIT****March 1986****SUMMARY TABLE (Continued)**

<u>Budget Function</u>						Cumulative Five-Year Savings
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Options	1987	1988	1989	1990	1991	
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370 Commerce and Housing (Continued)**Tax Capital Gains at Death (REV-35)**

Addition to CBO Baseline	23	4,600	4,900	5,300	5,600	20,400
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400 Transportation**Withdraw Most Federal Aid for
Public Works Infrastructure (NDD-01)****Eliminate Most Aid**

Budget Authority	23,000	26,000	28,000	29,000	30,500	136,500
Outlays	8,600	17,000	20,800	23,600	25,700	95,700

Phase Out Aid

Budget Authority	2,900	6,500	10,500	14,500	19,000	53,400
Outlays	1,100	3,300	6,900	10,700	14,900	36,900

**Raise Aviation User Fees to Cover
Air Traffic Control Costs (NDD-08)**

Addition to CBO Baseline	400	500	600	700	700	2,900
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Establish User Fees for Certain Coast Guard Services (NDD-09)

Budget Authority	820	830	830	840	860	4,180
Outlays	820	830	830	840	860	4,180

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

400 Transportation (Continued)

Eliminate AMTRAK Subsidies (NDD-13)

Budget Authority	610	640	670	690	720	3,330
Outlays	610	570	630	690	720	3,220

Reduce Federal Mass Transit Aid (NDD-14)

Budget Authority	1,790	1,840	1,890	1,900	1,920	9,340
Outlays	720	1,030	1,280	1,490	1,690	6,210

Reduce and Refocus Highway Spending (NDD-15)

Budget Authority	6,400	6,700	6,900	7,200	7,500	34,700
Outlays	900	3,800	4,700	5,200	5,600	20,300

450 Community and Regional DevelopmentEliminate or Restrict Eligibility for
Community Development Block Grants (NDD-24)

Terminate CDBG

Budget Authority	2,650	3,300	3,400	3,550	3,700	16,600
Outlays	50	1,050	2,650	3,300	3,450	10,450

Restrict Eligibility and Reduce Funding

Budget Authority	430	450	470	490	510	2,350
Outlays	10	170	410	460	480	1,500



SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

450 Community and Regional Development (Continued)End Funding of the Economic Development Administration
and Urban Development Action Grants (NDD-25)

Terminate EDA

Budget Authority	130	220	230	240	250	1,100
Outlays	30	90	150	200	220	690

Terminate UDAG

Budget Authority	330	350	360	380	390	1,820
Outlays	20	110	210	280	340	970

Reduce Incentives for Building Rehabilitation (REV-10)

Addition to CBO Baseline

Repeal the Rehabilitation Tax Credits	400	1,300	1,800	2,100	2,400	8,000
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Limit Credits to Historic Renovations	300	900	1,200	1,300	1,400	5,100
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500 Education, Training, Employment and Social ServicesReduce Guaranteed Student Loan Subsidies (ENT-21)

Require Students to Pay In-School Interest

Budget Authority	-95	560	970	1,200	1,300	3,950
Outlays	-50	390	870	1,150	1,300	3,650

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	
<u>500 Education, Training, Employment and Social Services</u> (Continued)						
Reduce Guaranteed Student Loan Subsidies (ENT-21) (Continued)						
Raise Students' Interest Rates After Leaving School						
Budget Authority	--	20	85	150	200	450
Outlays	--	15	65	140	190	400
Reduce Lenders' Subsidies by One-half Percentage Point						
Budget Authority	25	70	120	160	200	560
Outlays	15	60	100	150	190	510
Reduce Default Costs						
Budget Authority	--	25	110	160	180	470
Outlays	--	25	110	160	180	470
<u>Reduce and Retarget Aid for Dependent Care (ENT-23)</u>						
Gross Revenue Gain	200	1,700	1,900	2,100	2,300	8,200
Outlays	-100	-850	-950	-1,050	-1,150	-4,100
Net Savings	100	850	950	1,050	1,150	4,100
<u>Eliminate Funding for Untargeted Elementary and Secondary Education Programs (NDD-26)</u>						
Eliminate Chapter 2 Block Grant						
Budget Authority	540	570	600	640	680	3,000
Outlays	45	410	560	600	630	2,250



SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

500 Education, Training, Employment and Social Services (Continued)Eliminate Funding for Untargeted Elementary
and Secondary Education Programs (NDD-26) (Continued)

Eliminate Untargeted Portion of Vocational Education

Budget Authority	400	420	450	470	500	2,250
Outlays	10	320	420	440	470	1,650

Eliminate Mathematics and Science Education

Budget Authority	45	50	50	55	60	260
Outlays	5	30	45	50	55	190

Increase Pell Grant Targeting (NDD-27)

Budget Authority	360	380	410	430	460	2,050
Outlays	75	360	390	410	440	1,650

Reduce Campus-Based Student Aid (NDD-28)

Budget Authority	240	260	270	290	310	1,350
Outlays	25	240	260	270	290	1,100

Reduce Funding for the Job Training Partnership Act (NDD-29)

Budget Authority	420	590	770	960	1,170	3,910
Outlays	220	390	550	730	930	2,820

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

550 HealthTax Employer-Paid Health Insurance (ENT-01)Tax Some Employer-Paid Health Insurance

Income Tax	2,500	4,200	5,200	6,400	7,700	26,000
Payroll Tax	1,000	1,700	2,100	2,500	3,000	10,300

Tax Employer-Paid Health Insurance But Allow a Credit
for Employer and Employee Contributions

Income Tax	-100	700	1,100	1,500	1,800	5,000
Payroll Tax	7,100	10,100	11,300	12,500	13,800	54,800

Limit Payments for Long-Term Care Services (ENT-11)

Budget Authority	750	870	990	1,100	1,250	4,960
Outlays	750	870	990	1,100	1,250	4,960

Modify the Federal Employees Health Benefits Program (PERS-06)

Budget Authority	60	120	190	270	360	1,000
Outlays	60	120	190	270	360	1,000

570 MedicareReduce Medicare's Payments for Indirect
Medical Education Costs (ENT-02)

Outlays	780	1,000	1,100	1,250	1,350	5,480
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	
<u>570 Medicare (Continued)</u>						
<u>Reduce Reimbursements for Capital Expenditures Under Medicare (ENT-03)</u>						
Move Immediately to a Prospective Reimbursement System						
Outlays	220	450	700	960	1,270	3,600
Move Immediately to a Prospective Reimbursement System and Redefine Capital Expenses						
Outlays	490	790	1,120	1,420	1,780	5,600
Move Slowly to a Prospective Reimbursement System and Redefine Capital Expenses						
Outlays	20	100	370	800	1,310	2,600
<u>Reduce Medicare's Payments to Hospitals for Direct Medical Education Expenses (ENT-04)</u>						
Outlays	100	190	270	350	440	1,350
<u>Increase the Hospital Insurance Payroll Tax (ENT-05)</u>						
Addition to CBO Baseline	7,400	10,200	10,900	11,800	12,800	53,100
<u>Adopt a Fee Schedule for Reimbursing Physicians Under Medicare (ENT-06)</u>						
Fee Schedule with Rates Updated Annually by the MEI						
Budget Authority	--	150	270	370	500	1,290
Outlays	--	130	250	340	460	1,180

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

570 Medicare (Continued)

Adopt a Fee Schedule for Reimbursing
Physicians Under Medicare (ENT-06) (Continued)

Fee Schedule with Spending Cap Set by the MEI

Budget Authority	--	720	1,500	2,440	3,590	8,250
Outlays	--	570	1,310	2,200	3,240	7,320

Fee Schedule with Spending Cap Set by Growth in GNP

Budget Authority	--	160	300	480	760	1,700
Outlays	--	130	260	430	670	1,490

Increase Medicare's Premium for
Physicians' Services (ENT-07)

Budget Authority	970	1,350	1,430	1,525	1,620	6,895
Outlays	970	1,350	1,430	1,525	1,620	6,895

Use the Tax System to Impose a Supplementary Income-Related
Premium for Physicians' Services (ENT-08)

Addition to CBO Baseline	500	1,900	2,000	2,100	2,300	8,800
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Tax a Portion of Medicare Benefits (ENT-09)

Addition to CBO Baseline

With Income Threshold	800	2,900	3,500	4,300	5,300	16,800
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

570 Medicare (Continued)

Tax a Portion of Medicare Benefits (ENT-09) (Continued)

Addition to CBO Baseline (Continued)

Without Income Threshold	1,500	5,100	6,000	7,000	8,200	27,800
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Increase Medicare's Deductible for
Physician Services (ENT-10)

Budget Authority	720	1,130	1,340	1,535	1,695	6,420
Outlays	620	1,070	1,280	1,480	1,630	6,080

600 Income SecurityRequire a Two-Week Waiting Period for
Unemployment Insurance Benefits (ENT-19)

Budget Authority	--	--	--	--	--	--
Outlays	--	930	970	980	1,020	3,900

Index the Unemployment Insurance
Taxable Wage Base (ENT-20)

Addition to CBO Baseline	--	300	700	1,000	800	2,800
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

600 Income Security (Continued)Reduce the Subsidy for Nonpoor Children
in Child Nutrition Programs (ENT-22)

Budget Authority	280	300	320	330	350	1,580
Outlays	250	290	310	330	350	1,550

Reduce Subsidies for Low-Income Assisted Housing (NDD-23)

Moratorium on Additional Commitments

Budget Authority	7,700	0	0	0	0	7,700
Outlays	160	460	690	850	930	3,100

One-Year Freeze of Rents

Budget Authority	200	210	220	230	240	1,100
Outlays	290	310	350	390	420	1,750

Eliminate COLAs for Federal Retirees Under Age 62 (PERS-02)

Military Retirement

Savings from CBO Baseline	270	750	1,230	1,730	2,220	6,200
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Civilian Retirement

Savings from CBO Baseline	90	200	220	220	200	930
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

600 Income Security (Continued)

Reduce Civil Service Retirement Benefits (PERS-03)

Budget Authority	0	60	130	180	220	590
Outlays	100	240	300	380	460	1,480

Establish Supplemental Federal Retirement
Benefits for New Workers (PERS-04)

S. 1527

Savings from CBO Baseline	130	240	300	340	350	1,360
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H.R. 3660

Savings from CBO Baseline	280	430	540	650	790	2,690
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Repeal 401(k) Plans or Lower the Maximum Contribution (REV-18)

Addition to CBO Baseline

Repeal 401(k) Plans	1,900	4,200	4,900	5,900	7,000	23,800
Limit Contri- butions to \$7,000 per year	700	1,400	1,400	1,600	1,900	7,000

SUMMARY TABLE (Continued)

<u>Budget Function</u>							Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991		

600 Income Security (Continued)

Decrease Maximum Limits on Pension
Contributions and Pension Benefits (REV-19)

Addition to CBO Baseline

Decrease Limits
to \$60,000
and \$15,000

600	1,700	1,900	2,200	2,400	8,700
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Repeal Three-Year Basis Recovery Rule
for Contributory Retirement Plans (REV-20)

Addition to
CBO Baseline

800	2,200	2,800	2,900	2,900	11,600
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Tax a Portion of Nonretirement Fringe Benefits (REV-21)

Addition to CBO Baseline

Tax Life

Insurance Premiums

Income tax	1,500	2,300	2,400	2,500	2,600	11,300
Payroll tax	500	600	700	700	800	3,300

Disallow

"Cafeteria" Plans

Income tax	600	1,600	2,300	3,000	3,700	11,200
Payroll tax	200	700	1,000	1,400	1,700	5,000



SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

600 Income Security (Continued)

Eliminate Extra Tax Exemption for
the Elderly and the Blind (REV-28)

Addition to CBO Baseline	1,700	3,500	3,800	4,300	4,600	17,900
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650 Social Security

Restrict Cost-of-Living Adjustments in
Non-Means-Tested Benefit Programs (ENT-12)

Eliminate COLAs for One Year

Social Security/
Railroad
Retirement

5,250	7,200	7,300	7,250	7,100	34,100
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Other Non-
Means-Tested
Programs

1,350	1,850	1,900	1,950	2,000	9,050
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Offsets in
Means-Tested
Programs

-880	-1,300	-1,350	-1,450	-1,500	-6,500
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Limit COLAs to Two-Thirds of CPI
Increase for Five Years

Social Security/
Railroad
Retirement

1,700	4,750	8,250	11,900	15,550	42,150
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

650 Social Security (Continued)Restrict Cost-of-Living Adjustments in
Non-Means-Tested Benefit Programs (ENT-12) (Continued)Limit COLAs to Two-Thirds of CPI
Increase for Five Years (Continued)

Other Non- Means-Tested Programs	440	1,200	2,100	3,050	4,000	10,800
Offsets in Means-Tested Programs	-50	-200	-380	-560	-800	-2,000

Limit COLAs to CPI Increase Minus
2 Percentage Points for Five Years

Social Security/ Railroad Retirement	3,100	7,450	12,050	16,850	21,850	61,300
Other Non- Means-Tested Programs	800	1,900	3,100	4,350	5,650	15,750
Offsets in Means-Tested Programs	-90	-320	-570	-820	-1,150	-2,950

Pay Full COLA on Benefits Below a Certain Level and
50 Percent of COLA on Amounts Exceeding That Level

Social Security/ Railroad Retirement	590	1,650	2,800	3,950	5,150	14,150
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

650 Social Security (Continued)

Limit the Increase in the Social Security "Bend Points" (ENT - 13)

Outlays	10	70	175	350	600	1,205
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Reduce the Replacement Rate Within Each Bracket
of the Social Security Benefit Formula (ENT - 14)

Outlays	65	260	480	750	1,100	2,655
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Lengthen the Social Security Benefit
Computation Period by Three Years (ENT - 15)

Outlays	25	100	300	500	700	1,625
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Eliminate Social Security Benefits for
Children of Retirees Aged 62-64 (ENT - 16)

Outlays	40	180	350	590	650	1,810
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Cover All Newly Hired State and Local Government
Workers Under Social Security and Medicare (ENT - 17)

Addition to CBO Baseline	200	1,000	1,700	2,600	3,500	9,100
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

650 Social Security (Continued)Increase Taxation of Non-Means-Tested Entitlement Benefits (REV-27)

Addition to CBO Baseline

Increase Taxation
of Social Security
and Railroad
Retirement Tier I

Tax 50 percent of benefits	2,200	7,500	7,900	8,300	8,800	34,700
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Tax 85 percent of benefits	5,300	17,900	19,100	20,300	21,500	84,100
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Tax All
Unemployment
Compensation

300	800	800	800	800	3,500
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Tax Workers'
Compensation and
Black Lung
Benefits

800	2,800	3,100	3,400	3,800	14,000
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700 Veterans' Benefits and Services

Eliminate Veterans' Compensation Payments
for Those With Low-Rated Disabilities (ENT-18)

Budget Authority	2,150	2,250	2,350	2,400	2,500	11,650
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Outlays	2,000	2,250	2,300	2,400	2,500	11,450
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	
<u>700 Veterans' Benefits and Services</u> (Continued)						
<u>Convert Underused Acute-Care Beds in VA Hospitals (NDD-31)</u>						
Budget Authority	75	130	190	260	300	950
Outlays	85	120	190	250	310	950
<u>Require Cost Sharing for VA Hospital Care (NDD-32)</u>						
Budget Authority	170	310	340	370	400	1,590
Outlays	170	310	340	370	400	1,590
<u>Limit Eligibility for VA Hospital Care to Service-Disabled and Poor Veterans (NDD-33)</u>						
Budget Authority	670	1,050	1,150	1,250	1,400	5,520
Outlays	560	870	940	1,000	1,100	4,470
<u>750 Administration of Justice</u>						
<u>End Funding for the Legal Services Corporation (NDD-20)</u>						
Budget Authority	310	330	350	370	390	1,750
Outlays	270	320	340	370	390	1,690

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

850 General Purpose Fiscal AssistanceTerminate General Revenue Sharing (ENT-24)

Budget Authority	4,550	4,550	4,600	4,600	4,600	22,900
Outlays	3,350	4,550	4,600	4,600	4,600	21,700

Eliminate State and Local Tax Deductibility (REV-24)

Addition to CBO Baseline

Eliminate Deductibility
of State and Local Taxes

Income taxes	3,400	23,300	25,200	27,300	29,500	108,700
Sales taxes	800	5,200	5,700	6,300	6,900	25,000
Property taxes	1,800	12,000	13,200	14,500	15,900	57,300

Maintain Deductibility
of Taxes Above
Floor of 1 Percent
of AGI

800	5,200	5,600	6,000	6,400	24,000
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All FunctionsScale Back Nondefense Construction Projects (NDD-04)

Budget Authority	2,200	1,750	1,750	1,800	2,000	9,500
Outlays	800	1,550	1,850	1,950	2,050	8,200



SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

All Functions (Continued)

Modify the Davis-Bacon Act by Raising the Contract
Threshold and Allowing Unrestricted Use of Helpers (NDD-30)

Budget Authority	590	620	640	670	700	3,220
Outlays	110	330	450	520	560	1,970

Cap Pay Adjustments for Federal Civilian Employees (PERS-01)

Budget Authority	800	2,230	3,390	4,500	5,890	16,810
Outlays	820	2,270	3,460	4,580	5,980	17,110

Require the Postal Service to Pay the Full Cost
of Retirement and Other Benefits (PERS-05)

Budget Authority	--	--	-460	-660	-350	-1,470
Outlays	--	--	1,100	1,350	1,550	4,000

Reduce Federal Travel Expenses (PERS-07)

Budget Authority	580	610	650	690	730	3,260
Outlays	530	560	600	630	670	2,990

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	
<u>Options Not Assignable to a Function</u>						
<u>Eliminate Federal Subsidies to Business (NDD-03)</u>						
Budget Authority	1,900	3,500	3,300	3,900	4,300	17,000
Outlays	1,100	2,900	3,900	4,600	5,000	17,500
<u>Raise Marginal Tax Rates for Individuals (REV-01)</u>						
Addition to CBO Baseline						
Raise Marginal Tax Rates 5 Percent	13,300	19,100	20,600	22,100	23,800	98,900
Raise Marginal Tax Rates 10 Percent	26,700	38,400	41,300	44,400	47,700	198,500
<u>Amend or Repeal Indexing of Income Tax Rates (REV-02)</u>						
Addition to CBO Baseline						
Repeal Indexing	4,400	12,700	23,600	36,700	51,900	129,300
Delay Further Indexing Until January 1, 1988	4,400	7,300	7,800	8,500	9,100	37,100
Index for Inflation in Excess of 3 Percent	3,800	10,400	18,100	27,000	37,400	96,700

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

Options Not Assignable to a Function (Continued)Impose a Corporate Surtax (REV-03)

Addition to CBO Baseline

Surtax on Tax
before Credits

10 Percent	7,800	13,900	15,100	15,800	16,100	68,800
5 Percent	3,900	6,900	7,500	7,800	7,900	33,900

Surtax on After-Tax
Economic Income

5 Percent	10,800	18,300	20,700	23,300	24,900	97,900
2.5 Percent	5,400	8,800	10,000	11,300	12,100	47,600

Impose a Value-Added or National Sales Tax (REV-04)

Addition to CBO Baseline

5 Percent Tax,
Comprehensive
Base

0	71,200	107,700	115,800	124,800	419,500
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5 Percent Tax,
Narrower Base,
Exemptions for
Food, Housing,
and Medical Care

0	42,400	64,100	69,000	74,300	249,800
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5 Percent Tax,
Narrower Base,
No Exemptions
for Food, Drugs,
and Medical Care;
Low-Income Relief
Under Means-
Tested Programs

0	56,000	84,900	91,200	98,100	330,200
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SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

Options Not Assignable to a Function (Continued)

Increase Excise Taxes (REV - 06)

Addition to CBO Baseline

Extend DEFRA Increase of Telephone Excise Tax	0	1,300	2,300	2,500	2,700	8,800
Raise the Cigarette Excise Tax to 32 Cents per Pack	3,500	5,100	5,100	5,100	5,100	23,800
Increase Excise Taxes on Distilled Spirits	500	700	700	700	700	3,500
Raise Excise Taxes on Beer and Wine to Rate on Distilled Spirits	5,700	6,200	6,300	6,400	6,500	31,100
Index Current Cigarette and Alcohol Excise Tax Rates for Inflation	300	400	600	800	1,100	3,200

SUMMARY TABLE (Continued)

<u>Budget Function</u>						Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991	

Options Not Assignable to a Function (Continued)

Combine Miscellaneous Deductions and Employee Business Expense
Deductions and Subject to a Floor of 1 Percent of AGI (REV - 26)

Addition to CBO Baseline

Treat Combined Deduction as an Adjustment to Income	300	2,100	2,300	2,500	2,700	9,900
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Treatment Combined Deduction as an Itemized Deduction	500	3,700	4,000	4,300	4,600	17,100
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Disallow Income Averaging for Former Students (REV - 29)

Addition to CBO Baseline	100	500	600	600	700	2,500
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Improve Tax Compliance and Enforcement (REV - 30)

Addition to CBO Baseline

Increase IRS Audit Coverage	300	600	800	900	1,000	3,600
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Increase Penalties for Failure to Comply with Tax Laws	400	400	400	400	400	1,900
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SUMMARY TABLE (Continued)

<u>Budget Function</u>							Cumulative Five-Year Savings
Options	1987	1988	1989	1990	1991		

Options Not Assignable to a Function (Continued)

Reduce Tax Preferences Across the Board (REV-31)

Addition to CBO Baseline	900	37,000	44,000	50,000	57,000	197,000
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Expand Minimum Taxes (REV-32)

Addition to CBO Baseline

Expand Existing
Individual
Alternative
Minimum Tax

Option I

at 20 percent	100	300	300	300	400	1,100
at 25 percent	1,400	7,100	8,700	10,700	13,200	41,100

Option II

at 25 percent	900	5,000	6,000	5,500	4,900	22,300
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Expand Base
of Present
Corporate Add-on
Minimum Tax

at 15 percent	1,000	3,300	5,400	8,500	13,400	31,700
at 20 percent	1,400	4,600	7,300	11,600	18,100	43,000

Replace Add-on
Corporate Tax
with a Broad-Based
Alternative
Minimum Tax

at 15 percent	700	1,400	2,000	2,900	4,300	11,300
at 20 percent	1,100	2,200	3,200	4,600	6,700	17,800
at 25 percent	2,100	4,100	5,400	7,200	9,600	28,400

